

Bureau of the Budget

DEC 1 1953

Mr. Roger W. Jones
Assistant Director for
Legislative Reference
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Jones:

In the course of the last Congress several bills were introduced providing for an increase in the compensation of Federal employees. In addition, there have been some recent statements from Senator Carlson and others which indicate the possibility that serious consideration may be given to such legislation in the forthcoming session.

As you know, when the 1951 pay increase was voted, it referred only to employees whose salaries were established under the Classification Act of 1949. Several agencies, such as CIA and AEC, which do not come under the Classification Act but do use the classification schedules, adopted these pay increases administratively. However, the Comptroller General ruled that these agencies could not adopt these increases retroactively, although the bill provided for retroactive payments for Government employees under the Classification Act. As a result, it was necessary, at the following Session, to secure the special language of Chapter XI of Public Law 375 of the 82nd Congress to allow CIA, AEC, and other agencies in this special category to make the pay increases retroactive.

In addition to the above, it was necessary to secure special language in P. L. 375 to grant the \$800.00 increase to those officials who were included in certain sections of the Executive Pay Act of 1949 (Public Law 359, 81st Congress) whose compensation was \$14,000 per annum, and who, therefore, received less than a GS-18 after the pay increase went through.

If the Bureau of the Budget is itself planning to prepare pay-increase legislation, or is in consultation on this matter, it would be appreciated if the appropriate provisions were to be written into any

such proposed legislation to cover the above contingencies. If such legislation is not under consideration by your office, we would like your approval of our calling this matter to the attention of the Chairman of the appropriate Congressional Committees, as present proposed legislation, such as H. R. 4556, provides only for increases in Classification Act grades.

With kindest regards, I am

Sincerely yours,

Walter L. Pforzheimer
Legislative Counsel

OGC:WLP/blc (25 Nov. 53)

Orig. & 1 - Add.

1 - ADD/A

1 - Director of Personnel

2 - Legislative Counsel

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Concurrences: _____ Date _____

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25 Nov 53

Acting Director of Personnel

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30 Nov 53